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Central Intelligence Agency





Washington, D. C. 20505

8 October 1985

Italy: Communists and Christian Democrats at the Crossroads

### Summary

The results of this spring's nation-wide administrative elections have given the Christian Democrats, and the governing coalition as a whole, an important boost both psychologically and politically. In particular, their re-entry into local coalitions in the wake of the election has boosted their access to power. The Communists' surprisingly lackluster performance, in contrast, probably represents their most serious setback since 1948. Italy's two major parties are each at Internal rifts are likely to a crossroad. distract both parties from the crucial decisions they need to make about the future direction of their policies. We cannot be optmistic in the face of these deep divisions that the DC will be able to achieve enough stability to build on its recent electoral successes or that the PCI will be able to act as a responsible negotiator in addressing national problems.

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This memorandum was prepared by Of Questions and comments may be directed to the Chief,	fice of European Analysis West European Division,	S .
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# **Bottoming Out?**

The results of this year's regional, provincial, and local administrative elections have reconfirmed the Christian Democrats (DC) as the pre-eminent force in Italian politics -- a position the Communists (PCI) had appeared well-placed to usurp. After dropping a disastrous 5 percentage points in 1983 and ceding a razor-thin plurality to the PCI in last year's European Parliament election, DC officials were bracing themselves for the loss of another 2 percentage points this spring. For the DC and most other observers, this year's 2-percentage-point improvement over last years's European election results -- a solid gain by the traditionally glacial standards of Italian electoral movement -- overshadowed the fact that they had not done as well as in the last nationwide regional and local elections in 1980. (See figure 1) Concern over the DC's inability to maintain its 1980 share of the vote apparently also was muted because party leaders assumed that the vast majority of lost votes had migrated to other members of the governing coalition, in particular to the Socialists and Republicans. Moreover, the DC's 2-percentage point gain over the 1984 election looked particularly robust compared with the Communists 4-percentage point drop during the same period.

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This performance allows the DC to reassert itself. It can argue that its momentum has been restored and that as the largest party in the governing coalition it deserves to be the dominant voice. Perhaps more significantly, the Christian Democrats now believe they can insist that the five national governing partners -- Christian Democrats, Socialists, Republicans, Social Democrats and Liberals -- impose five-party administrations wherever possible in various regional, provincial, and municipal jurisdictions. The Christian Democrats are especially anxious to overturn those local governments where their national partners are allied with the Communists.

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#### Bringing Home the Bacon

The Christian Democrats' determination to reassert themselves within the governing coalition was reinforced in June by the successful outcome of DC Secretary DeMita's negotiations to have Francesco Cossiga chosen to replace former President Pertini -- only one other president has been elected on the first ballot during the 40 years of the Republic.

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Despite these successes, however, the Christian Democrats face an uphill battle on the issue of five-party local coalitions. The governing partners postponed negotiations over restructuring the administrative governments until after the presidential election, but with that out of the way these talks

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have begun in earnest. Craxi, who supported the idea of fiveparty local coalitions during the campaign, has insisted since the election that the local governments must be dealt with on a case by case basis. Even where he does opt to push for fiveparty coalitions, the DC probably will not be able to overturn all of the local councils that it has designated for five-party administration. Local issues and local personalities almost certainly figure prominently in the deliberations. In many instances, after several years of cooperation with the Communists and poor relations with the Christian Democrats, grassroots Socialist, Republican, Social Democratic, and Liberal leaders are probably reluctant to carry out orders from the top to team up with the Christian Democrats. And where local party officials agree, against their better judgment, to follow the national party line, these new alliances are likely to begin on shakey ground.

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Maintaining a firm hold on local power is especially important, we believe, for parties in political systems like Italy's where clientelism traditionally plays such a prominent role. Political loyalty in these circumstances is often closely linked to a party's ability to distribute favor's and largesse. In short, the DC's success in regaining access to local coalitions through the current negotiations -- or at least maneuvering the Communists out -- will be far more important than the numbers of votes or even seats won. To date, the DC has sealed its return to power in several of the largest cities: Rome, Turin, Milan, Venice, and Naples. But some 2,000 local governments have yet to be decided.

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Victory in the Eye of the Beholder

A comparison of this spring's regional, provincial, and local administrative election returns with the last nationwide local elections in 1980 illustrates the extent to which electoral victory in Italy is in the eye of the beholder. Notions about victory and defeat can vary significantly according to whether attention is focused on local, provincial, regional, or national results and whether the most important indicator is share of the vote, net vote, or seats won. Moreover, the composition of local coalitions is very much a horse trading process; there is no guarantee that the final composition of a given government -local, provincial, or regional -- will correspond to the numerical logic of the voting results. The past 10 years are replete with instances where the Christian Democrats or the Communists have won a significant local plurality only to find themselves relegated to the opposition because of political expediency.

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In percentage of overall votes, Christian Democrats and Communists both slipped this year compared with 1980, but thanks to a larger electorate and a heavy turnout, both parties saw their number of votes grow in the regional elections where the Christian Democrats gained 68,000 votes and the Communists 120,000. Results in the provincial elections were skewed in the other direction, however, with the Christian Democrats picking up 60,000 votes and the Communists losing 30,000 votes. Although comprehensive final returns from the communal elections have not appeared in the press, early projections suggested that they would parallel the provincial scores.

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A glance at the number of seats won and lost in the regional and provincial elections provides a very different impression about the outcome. In the regional elections both camps lost ground. The Christian Democrats, who dropped 14 seats, however, lost nearly twice as heavily as the Communists. The dichotomy is even more marked in the provincial elections, where the Christian Democrats lost 39 seats to the Communists' 5. Our communal election returns remain incomplete. (See table 1)

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Statistically, it makes sense to compare this spring's elections with the last administrative elections, held in 1980. Many Italians, however, including a number of the country's most prominent political commentators, have preferred to emphasize the differences between this year's results and those of the 1984 European Parliament election and the 1983 national election. Despite the analytic problems generated by this kind of crosselection comparison, it is primarily in these findings that the case for DC optimism and Communist disappointment takes root.

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Why the DC "Won"	
After being bested by the Communists for the first time in last year's European Parliament election, DC leaders concluded that the party's very survival was at stake this spring and shaped new strategies to overcome past weaknesses. Making a special effort to avoid controversial domestic policy issues like economic austerity, they emphasized instead the danger of the Communists winning a plurality. For the first time in nearly a decade, local churchmen and the Pope were galvanized into action by this threat and weighed in heavily on behalf of the DC. Several veteran campaigners who had all but ceased to participate in recent electoral battles also were drawn back to the lists, and party heads who had distanced themselves from DeMita during the past two electoral outings returned to the fold.	25X1
Sensitive to charges that they had failed to follow through	
on promises of party reform, the Christian Democrats also made a special effort to place new faces on their election lists. Final	
returns revealed that a surprising number of old Christian  Democratic war horses had fallen by the wayside to be replaced by	0EV1
relative unknowns.	25 <b>X</b> 1
Turning Out the Vote Traditionally a high voter turn-out favors the DC over the PCI. The PCI's election analysis team concluded on the basis of exit polls that the DC owes part of its improvement over the 1983 national election to votes taken from the Social Democrats (0.6%), Republicans (0.6%), and Liberals (0.2%), but nearly half of the DC's gains appear to have come from voters who for one reason or another had not voted recently. Judging by press and academic studies, we believe that a high proportion of the 500,000 votes lost by the DC between the 1983 national election and the 1984 European Parliament election were lost to abstention. Total voter turnout this spring jumped to 89.7 percent after an all time low of 83.9 percent in last year's European Parliament election. This year's total vote also topped the turnout of 88.5 percent for the previous administrative elections in 1980.	25X1
o Stark Choice We attribute the DC's success at	
remobilizing these voters to a combination of good fortune and the leadership's decision to return to more	
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	traditional campaign themes and tactics. DeMita characterized the campaign early on as a choice between government by the DC and government by the Communists. Communist Party Secretary Natta played into DeMita's hands by telling the press that if his party won a plurality, it would seek a government crisis and authority to form a successor government.	25X1
o	The Church on Their Side Active backing from the Church also helped the Christian Democrats.	25X1 25X1
	The Pope weighed in personally to voters at the height of the campaign. US officials in Naples reported numerous instances where parish priests allegedly exhorted their congregations to vote DC or at least vote against the "Communist Menace."	25X1 25X1
0	Mobilizing the Youth Finally, Christian Democratic Party officials had notable success in mobilizing young and first time voters. A growing number of observers attribute this phenomenon both to renewed interest in religion and to the DC's success in drawing upon new Church-related political groups, like Roberto Formigoni's Movimento Popolare, that channel younger voters toward Christian Democratic candidates.	25X1 25X1
Not Ou	it of the Woods	
		25X1
faction to cook than a made so current task or reform graft DC intofundaments.	It has always been difficult for the DC to keep its warring ons in check, and experience suggests that their willingness operate this spring probably represents a respite rather a permanent change. There is no evidence that the party has significant progress toward reconciling its four diverse ats. DeMita and his colleagues still face the herculean of choosing a strategy that is acceptable to moderate hers, southern members who believe that favoritism and petty are the norm in politics, leaders who want to transform the co a modern Thatcher-style party, and Roberto Formigoni's nentalists, who wants the party to return to its roots as a signal party.	25X1

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moment, appear to be the party's the party hierarchy will probabl tasks. Old-line DC leaders have power to Formigoni and his colleimagine how some of the fundament	ly prove one of the most difficult been loath to surrender any eagues. Moreover, it is hard to nations ciled with other views within the	25X1
support from the Vatican. The U	uld also cost the DC its new-found JS Embassy reports that the Pope n Democrats that he will denounce	25X1
our view, but his attention over focus on the question of whether vote that the DC controlled in trecoverable or permanently lost. this spring than at any point du academic observers probably would among Italy's increasingly volat believed to account for about 10	the additional 3 percent of the the 1979 national election is . Although the DC looks healthier uring the past two years, most ld agree that the DC's support tile swing voters who now are percent of voters remains umber of their voters back to the threat of a Communist to have halted the PCI's smay have lost their most	25X1
The Communists: Turnabout is Fa	air Play	
equal to the blow suffered by the election both in percentage of impact. Like the Christian Demo	of votes lost and psychological ocrats in 1983, the Communists	<1 25 <b>X</b> 1
were taken completely by surpris	se.	5X1
whole was confident on the eve o would at least equal its 1980 ad	of the elections that the party	25X1
		25 <b>X</b> 1 .
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The Communists' disappointment was compounded by the distribution of their losses. Although the party held its own in the traditional red belt -- the North-Central regions of Emilia Romagna, Tuscany, and Umbria -- and could claim some limited gains in the south, it suffered serious losses in the northern regions of Lombardy and Piedmont, blue collar areas that the Communists thought they could count on. Moreover, while the party did reasonably well in the hinterland and the small and medium-sized cities, its worst setbacks occurred in the largest cities -- Turin, Milan, Genoa, Venice, Rome, Bari, and Palermo -- the very spots where the Communists scored their most impressive victories in the mid-1970s. (See table 2).

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Like their Christian Democratic counterparts, the Communists have focused attention primarily on comparisons between this year's vote and the 1984 European Parliament and 1983 national elections.

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Why the Communists Lost

Hampley grown again

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The Communists may have lost support in some areas due to the poor performance or corruption of specific elected Communist officials, but recent public polls suggest two more fundamental causes for the PCI's setback: some voters had simply grown tired of the same faces in office, while others worried that the PCI was about to bound ahead of the Christian Democrats. This spring was also the first time in more than a decade that the Communists entered the electoral lists without their charismatic former leader, Enrico Berlinguer. The election campaign demonstrated clearly that the Communists have not yet found a successor capable of filling Berlinguer's shoes. Moreover, the election this spring underscored once again that the PCI had lost touch with younger voters and that the party is especially vulnerable along its left flank.

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Bloom Off the Rose The Communists' defeat in many of the large cities may be primarily the result of their longevity in office and the popular perception that they should have made more progress with urban problems. Press and Embassy accounts make it clear that voters who helped

<sup>\*</sup>Berlinguer died just before the European Parliamentary elections in 1984, but an outpouring of sympathy votes still made him an important force in that election.

the road to fuller cooperation with the Socialists -- the PCI's anly other option for entering a majority government -- blocked by Craxi's violent anti-Communism. In the end, he tried to appease both parties without much success.

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A strategy aimed at forging an alliance between the traditional Leftist parties and the "progressive elements" of the DC.

setback we	ong the Fringes Another cause of the Communists'ere their losses to the Proletarian Democracy the Greens.
emphasized areas like the Greens 20 provinc	Rinascita, the party's theoretical magazine, has that the Communists generally did better in Calabria, Basilicata, Molise, and Umbria where did not run. Our calculations show that in the es where both the Proletarian Democrats and the elded candidates, their combined vote is equal to
nearly hal provinces the Greens least half suspect th	f of the Communist losses. In another 15 where the Proletarian Democrats ran lists but did not, the Proletarian Democrats gained at as many votes as the Communists lost. We at in many instances the two parties were ly effective among young and first time voters, ries where the PCI has admitted difficulty for
some time.  I At The Crossr	
nsions within t adership alike nocrats, have r creasingly clea rrents as the D	hat the elections this spring have heightened he party and driven home to base and party that the Communists, like the Christian eached an important turning point. It is r that the PCI has at least as many divergent C the Marxist-Leninist hardcore identified
th Armando Coss grao; Giorgio N e Socialists; a s been to try t I file and the ese currents co	utta; the traditional left championed by Pietro apolitano's moderates who favor closer ties with nd the Centrist Berlingueriani whose strategy o satisfy everyone. We believe that the rank leadership recognize that failing to reconcile uld result in a situation where, rather than
gin to hemmorha	percent of the electorate, the Communists will ge uncontrollably.
ansition figure ve made it all l estion. Most po e face of post-o	ight emerge as something more than a simple, we believe that the party's recent defeats but impossible to avoid reopening the succession arty leaders have rallied to Natta's defense in election criticism and
he is	likely to remain in office until at least next
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	utflanked his detractors within the party, at y, by proposing to move the next regularly	
	ss up a year to next April.	25)
		25X
		•
Natta will r	not find it easy to push through his ideas at the	
iongress. Not or the party's incre	nly is he likely to face stiff opposition from easingly vocal currents but he is almost	25)
	a rough time from the rank and file who have	25 
	ly impatient with the slow pace of internal party m. Natta may be hard pressed to channel debate	у
opposes.	at he wants or to stave off resolutions that he	25)
in directions tha opposes.	for Italy and the US	25)
in directions that opposes.  Short-Term Gain f  The Communis	for Italy and the US sts' setback not only represents a welcome	25)
in directions that opposes.  Short-Term Gain for the Communis outcome from the dealthy outcome f	for Italy and the US	25)

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conduct of its opposition. Preoccupied with internal matters and anxiously searching for new allies among the governing parties, the Communists are likely to adopt a less confrontational approach toward government policies over the next several months.

opportunity to come to grips with some of the country's more vexing problems. His success or failure will turn, however, on the willingness of the coalition partners to put their rivalries aside and press ahead with an agreed program.

Each of the three most prominent partners in the Craxi government -- the Christian Democrats, Socialists, and Republicans -- gained in the administrative elections. the strong Socialist showing has improved the likelihood that Craxi will remain in office for at least several more months, both the Christian Democrats and the Republicans believe that they are now in a better position to demand a higher price for their support. The Republicans may be content, for the time being, to extract concessions on economic policy; they are especially likely to insist that the government must undertake new cost-cutting initiatives to reduce the budget deficit.

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Economic policy will also figure prominently on the Christian Democrats' agenda as they attempt to articulate a program to convince voters that the DC is more serious about austerity than the Socialists without threatening key elements of their existing constituency. DeMita is anxious to maintain the current coalition, but these elections probably have left him more determined than ever to reassert DC dominance and restrain the growth of Socialist Party influence and voting strength. In our view, the danger both to the Christian Democrats and to the survival of the coalition is that DeMita or his colleagues will lose their sense of balance. In short, their ambition to reassert themselves within the coalition will cause them to lose sight of problems within their own party that could set the DC back on the skids for the next election.

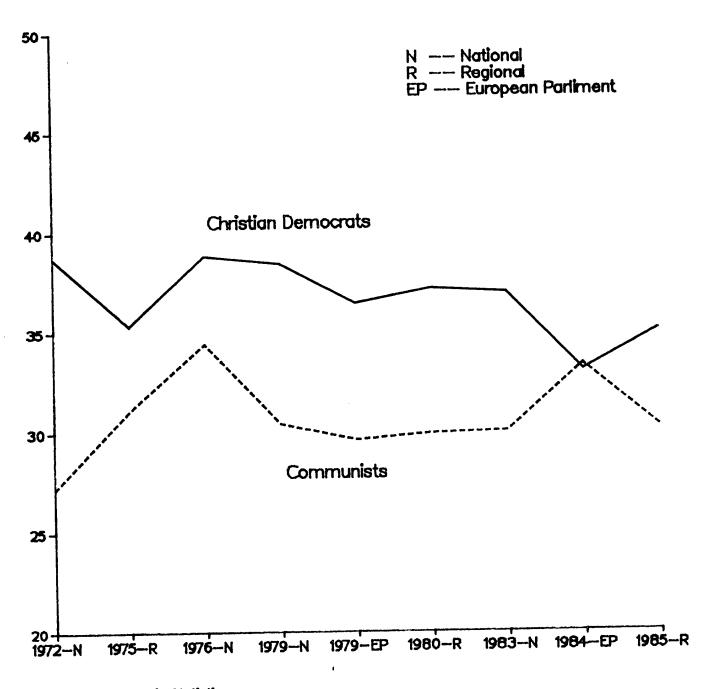
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The Communists, for their part, are likely to be distracted by internal soul-searching for the next year or so. During this period they will probably be somewhat more pliant in dealing with the Christian Democrats than they have been recently. On balance, we conclude that the Christian Democrats and the Communists have both reached an important turning point. Their success at coming to terms with internal problems while establishing or maintaining alliances with other parties will determine the course of Italian politics for years to come. Factionalism within the two parties seems particularly intractable, however, and we cannot be optimistic that the DC will be able to put its own house in order or that the PCI will be stable enough to act as a responsible negotiator in addressing national problems.

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Christian Democratic and Communist Vote Shares 1972-85

Percent



Source: Annuaria Statistico

1980 and 1985 Regional and Provincial Election Results Changes in Vote Received, Vote Shares, and Seats\*

	Regional Elections					Provincial Elections						
·	Change t		Percent Change Vote si		Chang Seats		Change in Votes Rec		Percent Change Vote Sh		Change Seats 1	
	<u>DC</u>	PCI	<u>DC</u>	PCI	DC	PCI	DC	PCI	DC	PCI	DC	PCI
Northwest Piemonte Lombardia Liguria Northeast Veneto	-36,917 -34,775 -3,468 2,558	-61,524 9,807 -16,053	-1.9 -2.9 -0.3	-3.5 -1.5 -1.3	-1 -3 0	-2 -1 0	-30,796 -30,913 - 8,053	-79,758 -68,026 -21,360	-1.8 -2.9 -0.6	-3.5 -2.9 -1.7	- 3 - 9 0	-5 -4 0
Friuli-Venezia-Giulia Center					•	-•	- 2,337	- 7,338	-3.6 -2.3	-2.0 -2.4	- 2 - 1	1
Emilia-Romagna Toscana Umbria Marche	218 -35,123 5,617 5,132	23,753 24,678 4,842 - 120	-1.0 -2.1 0 -1.0	-0.4 -0.3 -0.9 -2.0	0 -1 0 -1	0 0 0 0	353 -28,802 1,051 - 1,332	7,798 27,463 2,587 -1,527	-1.0 -2.1 -0.8 -1.5	-1.6 -0.3 -1.2 -1.6	0 - 5 - 1 - 2	-1 0 -1 -2
Lazio Abruzzi Molise Compania Puglia Basilicata Calabria	64,646 12,729 9,277 77,711 -10,936 9,535 7,389	47,926 9,623 3,044 3,961 41,267 3,340 22,587	0.6 -1.5 1.1 -0.3 -3.7 1.0	-0.8 -0.6 0.5 -1.4 -0.2 -0.7 0.3	-1 -1 1 -1 -2 0	-1 e-1 0 -1 0 -1	130,185 9,819 6,761 49,256 3,653 7,131 -1,914	-11,284 11,878 4,980 - 1,332 34,764 - 850 20,767	1.2 -1.4 0.8 0.5 -2.9 -0.5 -2.9	-3.8 -0.5 -1.3 -1.7 -0.7 -1.9 -0.2	- 1 - 1 2 0 - 1 - 1	-1 0 0 1 4 -1
Islands Sicily Sardegna							-33,913 -2,682	58,169 6,349	-4.6 -4.0	0.3 -2.5	-11 - 3	. 1
Source: L'Unita	68,477 15 May 198	120,123		······	-14	-8 '	59,827	-30,348		•	-39	-5

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# Christian Democratic/Communist Shares of the Vote in Key Cities 1980-85

	1985 Local		1980 Local		1983 Natio	1983 National		1984 European Parliament	
	DC	PCI	<u>DC</u>	PCI	<u>DC</u>	<u>PCI</u>	<u>DC</u>	PCI	
	•				:				
Turin	23.4	35.4	23.5	39.9	19.6	34.3	21.0	39.1	
Milan	24.0	24.9	26.5	,28.0	22.0	27.0	23.1	29.6	
Genoa	25.0	36.5	22.5	39.6	22.1	38.5	22.1	41.9	
Venice	27.4	30.5	31.0	33.6	25.3	31.9	26.9	35.3	
Bologna	22.7	44.5	22.5	46.1	19.3	45.1	19.8	47.7	
Palermo	34.3	14.7	46.7	15.5	36.0	18.7	32.5	23.5	
Bari	32.7	15.8	33.4	15.9 <sub>(3</sub>	28.2	20.4	28.7	27.4	
Florence	26.5	39.9	29.9	41.9	24.7	40	24.6	43.2	
Rome	33.1	30.8	29.6*	35.9*	28.3	29.9	29.0	35.4	

\* 1981

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